

HOUSE BILL 3258
By Jones U

AN ACT to amend Tennessee Code Annotated, Title 49,
Chapter 7, Part 5, relative to chairs of excellence.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 7, Part 5, is amended by
adding the following as a new section:

Section 49-7-503.

(a) Notwithstanding any other provision of law to the contrary, when an
endowment for a chair of excellence in real estate under this part has been created at an
institution of higher learning and the chair is not created and remains vacant for a period
of at least four (4) years, and there is agreement among the parties as provided in
subsection (b), then the endowment funds may be redirected at the institution at which
the chair of excellence is located from funding the chair to funding academic
scholarships for high-ability students.

(b) In order for funds to be redirected in accordance with subsection (a), the state
treasurer shall secure a written agreement in which the trustor, the Tennessee higher
education commission, and the institution of higher learning where the affected chair is
located, agree to the redirection of funds to a scholarship as such parties set forth in the
agreement.

SECTION 2. This act shall take effect July 1, 2006, the public welfare requiring it.